

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
AUGUST 16, 2010**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, August 16, 2010.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Mike Harder – Secretary
Doug Schulte – Water Commissioner
Greg A. Krodel – Gas Commissioner
Ken Sendelweck – Electric Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Michael A. Oeding – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Sandy Hemmerlein – City Attorney

ABSENT:

Alex Emmons – Wastewater Commissioner

BOY SCOUTS IN ATTENDANCE (DVD-00:44)

Chairman Wayne Schuetter invited the Boy Scouts in attendance to come to the podium and state their names to add to the record and to lead the group in the Pledge of Allegiance. Brandon Sizemore, Jordan Seifert and Jared Doersam were present to work on their Citizenship in the Community badges. Troop 185 leader, Tim Doersam was also present.

PLEDGE OF ALLEGIANCE (DVD-1:17)

The Boy Scouts led the Pledge of Allegiance.

QUOTE OPENING: TWO SERVICE TRUCKS – GAS & WATER (DVD-2:34)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

1.	Uebelhor & Sons Jasper, IN	\$43,994.00 <u>- 11,000.00</u> \$32,994.00	trade-in
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The quote included a non-collusion affidavit.

2.	Ruxer Ford Jasper, IN	\$39,960.00 <u>- 11,700.00</u> \$28,260.00	trade-in
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The quote included a non-collusion affidavit.

3.	Sternberg Chrysler Jasper, IN	\$64,675.00 <u>- 29,700.00</u> \$34,975.00	trade-in
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The quote included a non-collusion affidavit.

4.	Bob Luegers Motors Jasper, IN	\$44,600.00 <u>- 13,300.00</u> \$31,300.00	trade-in
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The quote included a non-collusion affidavit.

Mike Oeding asked to order the trucks if the low quote of \$28,260 from Ruxer Ford met the specifications. If the quote does not meet the specifications, Oeding will report back at the next meeting.

Greg Krodel made a motion to order the service trucks from Ruxer Ford for \$28,260, subject to meeting the specifications. If not, Oeding is to report back at the next meeting with a recommendation. Rick Stradtner seconded the motion. Motion approved, 6-0.

QUOTE OPENING: TELEHANDLER – WASTEWATER (DVD-7:41)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

1.	Hopf Equipment Huntingburg, IN	\$62,246.00 <u>- 27,268.00</u> \$34,978.00	trade-in
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The quote included a non-collusion affidavit.

2.	MacAllister Rentals Bloomington, IN	\$78,910.00 <u>- 8,500.00</u> \$70,410.00	trade-in
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The quote included a non-collusion affidavit.

3.	Stone & Stemle Jasper, IN	\$83,295.39 <u>- 14,500.00</u> \$68,795.39	trade-in
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The quote included a non-collusion affidavit.

4.	Wayne Supply Evansville, IN	\$80,284.22 <u>- 10,500.00</u> \$69,784.22	model TH407 trade-in
		\$76,069.21 <u>- 10,500.00</u> \$65,569.21	model TH406 trade-in

The quotes included non-collusion affidavits.

5.	Holt Equipment Company, LLC Bloomington, IN	\$76,900.00 <u>- 7,500.00</u> \$69,400.00	trade-in
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The quote included a non-collusion affidavit.

6.	Southeastern Equipment Company Evansville, IN	\$84,990.00 <u>- 13,000.00</u> \$71,990.00	trade-in
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The quote included a non-collusion affidavit.

Ed Hollinden asked to order the telehandler if the low quote of \$34,978 from Hopf Equipment met the specifications. If the quote does not meet the specifications, Hollinden will report back at the next meeting.

Rick Stradtner made a motion to order the telehandler from Hopf Equipment for \$34,978, subject to meeting the specifications. If not, Hollinden is to report back at the next meeting with a recommendation. Doug Schulte seconded the motion. Motion approved, 6-0.

APPROVAL OF MINUTES (DVD-15:25)

Chairman Wayne Schuetter presented the minutes of the July 19, 2010, Regular Meeting and there being no corrections or amendments, asked for a motion to approve. Ken Sendelweck made a motion to approve the minutes of the July meeting as presented. Mike Harder seconded the motion. Motion approved, 6-0.

SERVICE AGREEMENT WITH QEI FOR SCADA SYSTEM (DVD-15:56)

Jerry Schitter said he has the annual service agreement with QEI to present for approval. QEI is the Electric Department's SCADA provider. The cost of the maintenance agreement for 2011 is \$6,648. This is a 4% increase from last year's cost of \$6,392.

Schitter said the agreement is worth the money paid. In 2010, 4 upgrades were loaded to keep the SCADA system state of the art. The Electric Department also did 5 upgrades of their own, of which they needed QEI's assistance with programming issues.

Ken Sendelweck made a motion to approve the 2011 annual service agreement with QEI for a cost of \$6,648. Doug Schulte seconded the motion. Motion approved, 6-0.

RESULTS FROM QUOTE OPENING FOR SERVICE TRUCK (DVD-17:53)

Schitter informed the Board that after reviewing the quotes last month for the service truck, the low quote of \$36,138 from Uebelhor and Sons did meet the specifications and he would like permission to order this service truck.

Ken Sendelweck made a motion to proceed with the low quote from Uebelhor and Sons for \$36,138 for the service truck. Greg Krodel seconded the motion. Motion approved, 6-0.

PLANT RUN TIME FOR STANDBY PAYMENT FROM MISO (DVD-18:48)

Windell Toby stated the Power Plant went online on Tuesday, August 10th at 11:30 AM and ran until Friday, August 13th at 6:56 PM. The plant was initially run to do a test for IMPA in order to continue receiving the capacity payment from MISO. With the hot weather and prices being up, the plant was kept running until Friday.

Toby said everything ran smoothly. They used most of the coal that was being stored at the plant. They have 1 bunker and part of another bunker left over. Sandy Hemmerlein said the Power Plant employees did work more than their weekly allotted 32 hours, but per the Resolution, this was allowed in this type of circumstance.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-20:16)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee met on August 11th to review any additional proposals that were received from extension until August 6th. One new proposal was received and there was one modification to a proposal already received.

The newest proposal combines reclaimed coal with biomass, in particular, city waste, into a briquetting process and then into the boiler. A coal gasification unit will also be used. This company is suggesting a partnership with the City, which legal counsel is researching at this time. IMPA has also reviewed the first 3 proposals received and will also be reviewing the last received.

The Committee is recommending a joint Executive Session with the Common Council on August 24th at 1:00 PM to review the 4 proposals, particularly the confidential financial piece, of the proposals received. The Committee also recommends another all-day joint Executive Session on September 13th to interview all 4 firms who submitted a proposal for this project.

Ken Sendelweck made a motion to set the first joint Executive Session on August 24th at 1:00 PM and to invite all 4 firms in for an interview in another joint Executive Session to be held all-day on September 13th. Doug Schulte seconded the motion. Motion approved, 6-0.

Sandy Hemmerlein said they will also put this on the agenda for Wednesday night's Common Council meeting to ask the Council to concur in setting these dates for Executive Sessions.

METER LIDS (DVD-26:18)

Mike Oeding said the Water Department has 700 meter lids that can no longer be used and Washington Water Utility would like to purchase them for \$5 each. Oeding said these meter lids will be junked out of inventory. He would like to sell Washington Water Utility as many lids as they want.

Sandy Hemmerlein read aloud from the law that allows exchanging of property with other governmental bodies, as agreed upon by both governmental bodies, through the passing of identical resolutions from each governmental body. She said Washington will need to get approval from their Board before the transfer can take place. She asked Oeding to report back at a later date and let the Board know how many lids were transferred.

Doug Schulte made a motion allowing Oeding to transfer meter lids to Washington Water Utility for \$5 each. Rick Stradtner seconded the motion. Motion approved, 6-0.

GAS PLANNING COMMITTEE REPORT (DVD-29:56)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-30:03)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

RESULTS OF QUOTE OPENING FOR MANHOLE RELINING (DVD-30:10)

Ed Hollinden stated that he reviewed the quotes from last month's meeting for manhole relining and the low quote from SpectraTech, from Noblesville, IN, met all of the specifications. Their quote was for \$260 per vertical foot, not to exceed \$30,000. Hollinden asked for permission to proceed with this project.

Doug Schulte made a motion to proceed with the manhole relining with SpectraTech for \$260 per vertical foot, not to exceed \$30,000. Mike Harder seconded the motion. Motion approved, 6-0.

SUMMARY OF TERRACE AVENUE PROJECT (DVD-31:00)

Hollinden stated the Terrace Avenue project is completed. Five different contractors were used to repair the customer's lines. There was no sewer relining done last year and that \$100,000 was saved to use towards the Terrace Avenue project. The City only spent approximately \$38,000 fixing a portion of the customers' lines that were in the road. Hollinden said flow monitoring still needs to be done in the area and have a camera look in the lines since the repairs.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-32:51)

Ed Hollinden, Wastewater Manager, stated the committee did not meet during the past month.

WASTEWATER RATE STUDY STARTED (DVD-33:00)

Bud Hauersperger informed the Board that the Wastewater rate study had been started. Umbaugh and Associates was in the office a couple of weeks ago to gather data. He expects them to be finished with the study in the next month. A Wastewater Committee meeting will be scheduled to review the results of the rate study.

GAS COST OF SERVICE STUDY (DVD-33:28)

Hauersperger said they ran into a problem with the Gas Cost of Service Study. Kerry Heid, who will be doing the study, works for himself, and does not have workers compensation insurance. The City requires workers compensation insurance, unless Heid obtains an exemption from the State. Heid is in the process of getting this exemption, but it could take up to two weeks.

BUSINESS OFFICE SOFTWARE UPDATE (DVD-34:16)

A consultant from Tyler Technologies was in the office last week setting up the Financial software on the server and computers in the office. All the computers were also connected to the server. Conversion will be taking place remotely until training and go-live take place at the end of October and beginning of November.

BEAVER LAKE DAM PROJECT UPDATE (DVD-34:57)

Hauersperger said after meeting with Burke Engineering, IDEM, DNR, and the Army Corp of Engineers, they identified a small area at the bottom of the dam that had grown up with trees and bushes, and called it a wetland. If this area is disturbed during construction, which it will be, a new wetland will need to be built somewhere else to replace this one.

There is a lot of paperwork involved to get this accomplished and to find a new site. Burke Engineering is estimating that this will cost an additional \$15,000 to \$20,000, plus the cost of a survey. The area in question is less than 1/10 of an acre.

Sandy Hemmerlein reminded the Board that we do not yet have a signed contract with Burke Engineering, because EDA will not reimburse the City with grant money for any contract that has already been signed.

Rick Stradtner made a motion approving the additional cost from Burke Engineering, of not to exceed \$20,000, for the mitigation of the wetland, subject to final contract review, and also giving the Chairman and the Secretary authority to enter into those contracts at the appropriate time to meet the requirements of any grant the City may be applying for and/or receives. Doug Schulte seconded the motion. Motion approved, 6-0.

GRANT PROCESS (DVD-39:06)

Chairman Schuetter asked if Hauersperger had heard any more about the grant process. Hauersperger said after the public hearing that was held last week, Lisa Gehlhausen, from Indiana 15 Regional Planning Commission, thought that we should hear the results any day from EDA.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (DVD-39:24)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Greg Krodel made a motion to approve the claims as presented. Ken Sendelweck seconded the motion. Motion approved, 6-0.

RESOLUTION UPDATING TRENCHING & POLE ATTACHMENT CHARGES (DVD-39:58)

Sandy Hemmerlein distributed Resolution #USB 2010-13. There is an ongoing Resolution setting billing charges for trenching services provided to Verizon North, Insight, and PSC. Verizon North's ownership was transferred to Frontier North. This allows these entities into the trench along with the City's Electric Department. This Resolution corrects the name on these types of billings from Verizon North to Frontier North.

There is also a Joint Use Agreement between the City and Verizon North for pole attachments that are billed at the beginning of each year. Hemmerlein has been in contact with a representative from Frontier North who says that assignment of this agreement does not need to be made to Frontier. She has went back and asked for something in writing from Frontier stating who to bill for these pole attachments at the first of the year. She is still waiting for a response.

Ken Sendelweck made a motion to approve Resolution #USB 2010-13 changing Verizon North to Frontier North for the trenching services. Doug Schulte seconded the motion. Motion approved, 6-0.

REMINDER ABOUT GAS SURVEYS (DVD-45:44)

Chairman Schuetter reminded everyone to complete the gas surveys they have received in the mail or will be receiving in the mail. It is very important that these be returned to the Utility Office. Upon completing and returning the survey customers will be eligible for a drawing to receive \$100 to apply towards their utility bill. No City employees or Board members are eligible for the drawing.

There being no further business to come before the Board, the meeting was adjourned at 7:47 PM upon motion by Doug Schulte and second by Greg Krodel. Motion approved, 6-0.

The minutes were hereby approved _____ with _____ without corrections this _____ day of _____, 2010.

Attest: _____
Secretary Chairman